

## Pandemic Impact Survey

In July of 2022 the New Hampshire State Council on the Arts invited its Public Value Partner grantees (operating support) and a select group of other nonprofit arts organizations (current or past grantees) to complete a survey to assess the ongoing impact of the COVID-19 pandemic. The survey compared earned and contributed income in the first half (January 1 – June 30) of 2019, 2020, 2021, and 2022, quantified COVID-related grants and other assistance, and asked about staffing changes and expectations for the future.

53 organizations completed the survey: 41 Public Value Partners (of 43) and 12 others. Specifically:

- 10 Community Arts Education organizations
- 10 Museums and Galleries
- 30 Performing Arts organizations
- 3 Other organizations

### Earned Income

Overall, respondents' total earned income in the first half of 2022 was 78% of the same period in 2019 (pre-pandemic). 28% of respondents (15 organizations) reported exceeding 2019 earned income for the time period. Performing Arts organizations continue to be the hardest hit, with 2022 earned income at 74% of 2019. Museums and Galleries are at 77% of 2019 earned income. Community Arts Education organizations are doing better than any other group (and bounced back more quickly), with 2022 earned income at 93% of 2019.

Looking at each year we see the direct impact of the pandemic on the 53 respondents' earned income:

- 2019: \$12,368,055.05
- 2020: \$5,120,173.69 (41% of 2019)
- 2021: \$4,920,875.88 (40% of 2019)
- 2022: \$9,721,349.33 (78% of 2019)

Performing Arts:

- 2019: \$8,013,220.56
- 2020: \$2,555,109.33 (32% of 2019)
- 2021: \$2,258,208.71 (31% of 2019)
- 2022: \$5,973,132.22 (74% of 2019)

Museums and Galleries:

- 2019: \$1,687,059.95
- 2020: \$752,516.33 (45% of 2019)
- 2021: \$863,582.28 (51% of 2019)
- 2022: \$1,306,487.52 (77% of 2019)

Community Arts Education:

- 2019: \$2,521,702.31
- 2020: \$1,752,970.04 (70% of 2019)
- 2021: \$1,752,312.27 (69% of 2019)
- 2022: \$2,343,642.52 (93% of 2019)

## Pandemic Impact Survey

### Contributed Income

In general, donors responded well to organizational calls for assistance, particularly in the first half of 2021 when the total was 120% of the same period in 2019, although this number may be skewed because at least one organization received a very large capital project grant that year. Contributed income appears to be returning to 2019 levels.

### COVID Relief

Most New Hampshire nonprofit arts organizations received aid from a variety of COVID relief programs in 2020, 2021 and 2022, including CARES Act and two rounds of ARPA grants from the New Hampshire State Council on the Arts. PPP, EIDL, National Endowment for the Arts and National Endowment for the Humanities direct grants, NH Nonprofit Emergency Relief Fund (CARES Act), NH Live Venue Relief, federal Shuttered Venue Operators grants, and NHSCA Save Our Granite Stages all significantly assisted organizations when earned income dropped. The following amounts were reported by the 53 respondents for the first half (January 1 – June 30) of each year:

- 2020: \$12,335,634.24
- 2021: \$11,887,253.99
- 2022: \$2,610,608.17

### Staffing

The survey asked respondents to identify the percentage of staff positions that remain unfilled compared to pre-pandemic. 18 respondents, a mix of large and small organizations, indicated ongoing staffing challenges and several mentioned losing volunteers as well. Percentages ranged from 2% – 50%.

### Expectations

Respondents were asked what their expectations for their organizations are for the next six – 12 months. Concerns about the economy and inflation were mentioned several times. Selected responses:

- Continued challenges of meeting budget due to inflation pressures.
- Earned income will continue to lag as ticket sales have yet to return to pre-pandemic levels.
- We are lucky to have a \$50,000 ARPA grant through the NEA, which is helping us with salaries the next 6-12 months. We are also lucky that we have a financial cushion if times get lean again, but the relief funds have been essential to our survival. We didn't do much fundraising during Covid and encouraged donors to look at other organizations that were more in need. Our current challenge coming out of that is rebuilding our donor pool.
- We expect to continue providing limited virtual programming over the next 6-12 months and a ramping up of in-person programming so that we are hopefully back to "normal" We have built a large base of community engagement throughout the pandemic, and we feel that individual giving will remain high. However, since COVID funding has dried up, we do anticipate that there will be a decrease in the amount of grants we receive in the next 6-12 months.
- We have built a large base of community engagement throughout the pandemic, and we feel that individual giving will remain high. However, since COVID funding has dried up, we do anticipate that there will be a decrease in the amount of grants we receive in the next 6-12 months.
- While we hope for a turnaround in the industry our concern is now twofold in that we worry that the economy and a potential recession combined will create a tougher economic outlook for our organization. We are looking to diversify our revenue streams for the facilities so we can weather potential storms coming. We expect to be about 10-20% down this year in ticket sales but are looking to make some of that up with rentals.

## Pandemic Impact Survey

- Continuing to recover and rebuild staff and audience.
- We will be struggling financially.
- Increased expenses and reduced earned income from pre pandemic levels.
- Our board has approved a budget for FY 22-23 that projects using \$15,500 of the organization's accumulated surplus to cover expected shortfalls in earned income due to the impact of the pandemic. (We also expect support from individual donors to return to pre-pandemic levels.) We anticipate that this pattern may last for several seasons.
- As this summer season is still a transitional one, we are not yet back to full core programming, but hope to be in the next 12 months.
- As long as Covid remains manageable, we expect to operate as usual in the new normal ways.
- Barring any renewed pandemic related shutdowns, we anticipate we will thrive over the next 6-12 months. We will release our 2022-2023 live season in the coming weeks, which will run from September of 2022 through July of 2023, with an array of new opportunities and some old favorites.
- Continue to return to pre-pandemic earned income with a continued focus on building restoration.
- The Museum's visits and revenues have experienced improvement since 2020, uncertainty still exists as the future is unpredictable. The Museum believes the extent of the COVID-19 pandemic 's adverse impact on operating results and financial condition has been and will continue to be driven by various factors, most of which are beyond its control and ability to forecast. Because of this and other uncertainties, the Museum cannot estimate the length or severity of the impact on its operations.
- We are confident about the next 6-12 months. Thank you to NHSCA for helping steer the arts community through the pandemic.
- Our 21/22 season saw a dynamic increase in programming, but not a commensurate increase in attendance. We are planning approximately the same quantity of programming for 22/23 and are hopeful that audiences will begin to return in greater numbers as they realize the options that are being provided and that it is safe to return to public performance spaces.
- Extremely concerned about financial well-being due to low ticket sales and down turn in individual giving (pandemic or inflation?).
- We expect an increase in earned income over last year as we return to more in-person programs.
- Stable but could use additional stimulus/working capital.
- Increase in audiences by about 30-35% but still not back up to pre-pandemic numbers. It will be a slow build back. COVID has presented a continuing challenge with staffing, requires as much doubling as possible to make sure we have coverage. Additionally, we have had to cancel an entire week of our musical because half the cast got COVID, as well as a handful of our seasonal staff. This is potentially devastating for a small staff like ours. The challenges still persist.
- Continue to respond to the new expectations of a post-pandemic arts audience, including both virtual and in-person offerings.
- We are investing in a Development Consultant to help construct a strategic plan to approach fundraising, donor stewardship, and grant writing in new ways. Mainly, creating effective fundraising strategies that are not tied to large-scale events, as those have proven to be the most volatile and have the most risk for loss given the ever-changing health climate.
- Earned revenue from programs will take time to recover. Private events are returning faster than mission related events. No more relief funding on the way. Difficult climb back to break even - especially with the continued threat of viruses, inflation, and long-term changes to people's habits. We saw growth in visual arts and decline in performing arts.
- A gradual return to normal.
- The accumulated impact of COVID, despite some relief in 2020 and 2021, always had us projecting a 2022 that was precariously balanced. So far in summer of 2022, we are experiencing continued residual

## Pandemic Impact Survey

audience tapering (some attendance reluctance) that will reduce overall income. We also lost a full week of touring children's theatre income because of Covid strike to our Company – so our anticipated income for that 2022 program is already at a 16% loss. Contributions are definitely lagging in comparison with 2019 by over \$20,000.

- The next 6 – 12 months, despite some pending granting opportunities, are likely to result in a fiscal year loss and strained/overburdened cash flow as we continue to negotiate the impact on the performing arts industry as a whole, and the NH region in particular.
- Our fiscal year started off strong, but we did see a significant drop in ticket sales. Our projection for the first show of our season was off by 25% and by 55% on our second show. As the season progressed, we were seeing ticket sales go up and by the time we were in the height of the season we had nearly sold out houses - and then we had to cancel performances due to a COVID-19 outbreak within the production group. We estimate that our loss in ticket revenue will be approximately \$150,000. On top of this there was a significant impact to our budget with additional health/safety purchases and quarantine housing that were factored into our operating budget, but not at the level that was necessary during the outbreak. We have only 3 weeks left in our 2022 season and there is no possible way that we will be able to make up for the losses incurred.
- COVID is still the unknown factor. We were fortunate this year that we did not have to cancel a performance because of COVID. However there were certainly many people who have said they would not attend performances because of the fear of COVID. Will this continue over the next 12 months?
- Hire an Executive Director; increase the size of our Board, get our performances towards 100% capacity (currently below 50%), and ongoing fundraising.
- Income flat or slightly down over last year.
- Hopefully to see an increase in attendance to shows, as well as to expand our event offerings to include theater, more interactive events, as well as visual arts installations and new rental opportunities such as yoga, dance, etc, in the basement of our facility. Our tenant is anticipated to end their lease with us within the next six months. We are pursuing creative strategies to fund ourselves as well as develop both as a nonprofit and as a community facilitator.
- 10% to 15% growth in program services. We expect normal revenue patterns to continue but anticipate transportation issues for some school field trips.
- We are very optimistic about the next 6-12 months. Our numbers have been strong this summer and we are hopeful that we are finally exiting the worst of the pandemic. There are still many uncertainties in the world, but we anticipate a continued upward trajectory and “return to normal.” (and thank you NH Council on the Arts for your role in helping stabilize this organization!)
- To rebuild audiences for larger shows in our historic theater.